

Securities, futures advisers, Individuals not listed on ATL cannot get registration: SECP

ISLAMABAD: The individuals whose names are not appearing on the Active Taxpayer List (ATL) of the Federal Board of Revenue (FBR) cannot apply to the Securities and Exchange Commission of Pakistan (SECP) for registering as securities adviser/futures advisers with the commission.

The SECP has proposed amendments to the Securities and Futures Advisers (Licensing and Operations) Regulations, 2017, through a notification issued here Monday.

In this regard, the SECP has amended, "Fit and Proper Criteria" for the securities adviser/futures adviser, and where applicable its, promoters, directors and senior management officers.

According to the amendment, in case the applicant is an individual, then his/her name shall be appearing on the ATL of the Federal Board of Revenue (FBR).

No person shall act as or perform the functions of a securities adviser or futures adviser unless such person is licensed with the Commission as a securities adviser or futures adviser under the Securities Act or Futures Act and these regulations, and a person performing distribution of Collective Investment Schemes (CIS) and/or Voluntary Pension Fund (VPF) units of multiple AMCs by entering into contracts with such AMCs shall also be required to obtain license as a securities adviser under these regulations, in order to perform functions of a distributor, the SECP stated.

The information and documents to be submitted along-with application for license as a securities adviser/futures adviser included national tax number of the applicant.

Within the category of "Financial Soundness and Integrity", the SECP stated that the person should not have been adjudged as an insolvent or he should not have suspended payment of debts or compounded liabilities with its/his creditors.

The person should not have been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a financial institution including banking company, a development financial institution or a non- banking financial company.

The person and companies, firms, sole proprietorship, etc, where the person is a chief executive, director (other than nominee director), owner or partner, etc, have no overdue payment to any customer, financial institution, securities exchange, futures exchange, clearing house, central depository and/or defaulted in payment of any taxes in the individual capacity or as a proprietary concern or any partnership firm or as director in any unlisted and listed company.